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BEFORE THE POSTAL RATE COMMISSION /6 WASHINGTON, D.C. 20268-0001

POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

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SECOND SET OF INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA TO USPS WITNESS ALEXANDROVICH (MPA/USPS-T5-2-3)

(September 16, 1997)

Pursuant to the Commission's Rules of Practice, Magazine Publishers of America hereby submits the attached interrogatories to USPS witness Alexandrovich (MPA/USPS-T5-2-3).

Respectfully submitted,

James R.

Counsel

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INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA TO UNITED STATES POSTAL SERVICE WITNESS ALEXANDROVICH

MPA/USPS-T5-2. Please refer to Witness Baron's responses to MPA/USPS-T17-2 and 3, Table 1 of this interrogatory, the FY 1996 Cost Segments and Components report, and the BY 1996 Cost Segments and Components report.

- a. Please confirm that Table 1 accurately reflects the before final adjustments distribution of Rural Carrier attributable costs to mail classes in FY 1996 and BY 1996
- b. Please confirm that the distribution of attributable costs to classes of mail changed from FY 1996 to BY 1996
- c. Please explain fully why the distribution of attributable Rural Carrier costs to mail classes changed between FY 1996 and BY 1996
- d Was there any change in the distribution key? If so, please describe the change.

Table 1. FY 1996 and BY 1996 Attributable Rural Carrier Costs

Class	Cost (Thousands)		Percent of Attributable Cost	
	FY 1996	BY 1996	FY 1996	BY 1996
Express Mail	\$4,475	\$4,729	0.3%	0.3%
First-Class	\$550,063	\$590,336	40.5%	39.1%
Free Mail - Blind & Handicapped & Servicemen	\$534	\$671	0.0%	0.0%
International Mail	\$2,485	\$2,585	0 2%	0.2%
Mailgrams	\$13	\$11	0.0%	0.0%
Periodicals	\$126,226	\$ 157,002	9.3%	10.4%
Priority Mail	\$9,451	\$12,979	0.7%	0.9%
Special Services	\$65,104	\$64,483	4.8%	4.3%
Standard (A)	\$578,271	\$649,025	42.6%	43.0%
Standard (B)	\$19,445	\$26,627	1.4%	1.8%
US Postal Service Mail	\$1,599	\$1,537	0.1%	0.1%
Total	\$1,357,666	\$1,509,985	100%	100%

MPA/USPS-T5-3. Please refer to Docket No. R90-1, USPS-T-13, Appendix F, Section III. This section describes the FY 1989 Rural Carrier mail shape adjustment. This adjustment reclassified 1 out of every 6 0106 letters as flats so that 2858R survey data had the same percentages of letters and flats as the National Mail Count.

- a. Please confirm that the Postal Service made this mail shape adjustment in the current case before distributing attributable costs to Classes and Subclasses of mail.
- b. If part a. is confirmed, please identify where this adjustment is documented.
- c. If part a is confirmed, please provide the proportion of letters in Base Year 1996 that were reclassified as flats.
- d. If part a. is confirmed and the reclassified proportion of letters is smaller than in Docket R90-1, please explain fully why the proportion has decreased.
- e. If part a, is not confirmed, please explain fully why the Postal Service did not make the rural carrier mail shape adjustment.
- f. If part a. is not confirmed, please state whether there is still a discrepancy between the 2858R survey and the National Mail Count in terms of percentages of letters and flats.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice

James R.

Washington, D C. September 16, 1997